## APPLICATION FOR PERMIT TO DRILL HORIZONTAL WELL - FORM 1H

Approximate Date Work Will Start

Confidential Status

Telephone Number



Operator

INDUSTRIAL COMMISSION OF NORTH DAKOTA OIL AND GAS DIVISION 600 EAST BOULEVARD DEPT 405 BISMARCK, ND 58505-0840 SFN 54269 (08-2005)

PLEASE READ INSTRUCTIONS BEFORE FILLING OUT FORM.

PLEASE SUBMIT THE ORIGINAL AND ONE COPY.

Type of Work

Type of Well

| Address                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                          |                                                  |                             |                                                                                                          |                                                           |                                       | State                                      | Zip Code                        |  |  |  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------------------------------|-----------------------------|----------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------------|--------------------------------------------|---------------------------------|--|--|--|
| WELL INFORMATION (If more to                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | han one lateral pr       | oposed, enter                                    | data for a                  | additio                                                                                                  | nal laterals or                                           | n page 2)                             | •                                          |                                 |  |  |  |
| Well Name                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Well Number              |                                                  |                             |                                                                                                          |                                                           |                                       |                                            |                                 |  |  |  |
| Surface Footages<br>F L                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | F L                      | Qtr-Qtr                                          | Section                     |                                                                                                          | Township <b>N</b>                                         | Range <b>W</b>                        | County                                     |                                 |  |  |  |
| Longstring Casing Point Footages  F L                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | F L                      | Qtr-Qtr                                          | Section                     |                                                                                                          | Township <b>N</b>                                         | Range <b>W</b>                        | County                                     |                                 |  |  |  |
| Longstring Casing Point Coordinates Fr<br>From WH                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | rom Well Head<br>From WH | Azimuth <b>o</b>                                 | Longstri                    | -                                                                                                        | al Depth<br>et MD                                         | Feet T\                               | /D                                         |                                 |  |  |  |
| Bottom Hole Footages From Nearest S                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | F L                      | Qtr-Qtr                                          | Section                     |                                                                                                          | Township<br><b>N</b>                                      | Range <b>W</b>                        | County                                     |                                 |  |  |  |
| Bottom Hole Coordinates From Well He From WH                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | KOP Lateral 1<br>Feet MD |                                                  | Azimu                       | uth Lateral 1<br><b>0</b>                                                                                | F                                                         | al Depth Lateral 1<br>eet MD Feet TVD |                                            |                                 |  |  |  |
| Latitude of Well Head  Congitude of Well Head  Congitu |                          |                                                  |                             |                                                                                                          |                                                           |                                       |                                            | oproval)                        |  |  |  |
| Ground Elevation Acres in Spacing/Drilling Unit Spacing/Drilling Feet Above S.L.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                          |                                                  |                             |                                                                                                          | Unit Setback Requirement Industrial Commission Order Feet |                                       |                                            |                                 |  |  |  |
| North Line of Spacing/Drilling Unit Feet                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | acing/Drilling Un<br>Fe  | it Ea<br>eet                                     | ast Line                    | e of Spacing/Di                                                                                          | rilling Unit<br>Feet                                      | West Line of                          | West Line of Spacing/Drilling Unit<br>Feet |                                 |  |  |  |
| Objective Horizons                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                          |                                                  | <u> </u>                    |                                                                                                          |                                                           |                                       | Pierre Shale                               | Тор                             |  |  |  |
| Proposed Size Surface Casing - "                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                          | epth Ce<br>Feet                                  | ement Vo<br>Sa              | NOTE: Surface hole must be drilled with fresh water and surface casing must be cemented back to surface. |                                                           |                                       |                                            |                                 |  |  |  |
| Proposed Size Longstring Casing - "                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Weight(s)<br>Lb./        | Longstring <sup>-</sup><br>Ft. Fe                | Total Dep<br>eet MD         | oth                                                                                                      | Feet TVD                                                  | Cement Volui<br>Sac                   |                                            | op Top Dakota Sand<br>Feet Feet |  |  |  |
| Base of Last Salt (If Applicable)<br>Feet                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | NOTE: Intermed           | NOTE: Intermediate or longstring casing string m |                             |                                                                                                          |                                                           | nented above                          | the top Dakota                             | Group Sand.                     |  |  |  |
| Proposed Logs                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                          |                                                  |                             |                                                                                                          |                                                           |                                       |                                            |                                 |  |  |  |
| Drilling Mud Type (Vertical Hole - Below Surface Casing)  Drilling Mud T                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                          |                                                  |                             |                                                                                                          |                                                           | flud Type (Lateral)                   |                                            |                                 |  |  |  |
| Survey Type in Vertical Portion of Well<br>Every 100 F                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | quency: Build S          | Section<br>Feet                                  | Survey Frequency: Lateral S |                                                                                                          |                                                           | Survey Contr                          | Survey Contractor                          |                                 |  |  |  |

NOTE: A Gamma Ray log must be run to ground surface and a CBL must be run on intermediate or longstring casing string if set.

Surveys are required at least every 30 feet in the build section and every 90 feet in the lateral section of a horizontal well. Measurement inaccuracies are not considered when determining compliance with the spacing/drilling unit boundary setback requirement except in the following scenarios: 1) When both the angle between the well bore and the respective boundary is 10 degrees or less and the well bore is within 150 feet of the respective setback requirement; or 2) If industry standard methods and equipment are not utilized. Consult the applicable field order for exceptions.

If measurement inaccuracies are required to be considered, a 2° MWD measurement inaccuracy will be applied to the horizontal portion of the well bore. This measurement inaccuracy is applied to the well bore from KOP to TD.

REQUIRED ATTACHMENTS: Certified surveyor's plat, horizontal section plat, estimated geological tops, \$100 fee.

See Page 2 for Comments section and signature block.

## COMMENTS, ADDITIONAL INFORMATION, AND/OR LIST OF ATTACHMENTS

| Lateral 2                                                         |                                       |                                 |                                                   |                  |                                  |          |                                |          |           |         |  |
|-------------------------------------------------------------------|---------------------------------------|---------------------------------|---------------------------------------------------|------------------|----------------------------------|----------|--------------------------------|----------|-----------|---------|--|
| KOP Lateral 2 Azimuth Late                                        | eral 2 Est                            | Estimated Total Depth Lateral 2 |                                                   |                  |                                  |          | KOP Coordinates From Well Head |          |           |         |  |
| Feet MD                                                           | 0                                     | Feet MD Feet TVD                |                                                   |                  |                                  |          | F                              | rom W    | Н         | From WH |  |
| Formation Entry Point Coordinates Fi                              | rom Well Hea                          | ad                              | Bottom Hole (                                     | Coordinates Fr   | om Well He                       | ad       |                                |          |           |         |  |
| From WH From WH                                                   |                                       | m WH                            | From WH                                           |                  |                                  |          | From WH                        |          |           |         |  |
| KOP Footages From Nearest Section Line                            |                                       |                                 | Qtr-Qtr                                           | Section          | Township                         | þ        | Range                          | Coun     | ity       |         |  |
| F L                                                               | F                                     | L                               |                                                   |                  |                                  | N        | W                              |          |           |         |  |
| Bottom Hole Footages From Nearest                                 | Section Line                          | :                               | Qtr-Qtr                                           | Section          | Township                         |          | Range                          | Coun     | ity       |         |  |
| F L                                                               | F                                     | L                               |                                                   |                  |                                  | N        | W                              |          |           |         |  |
| Lateral 3                                                         | I= .                                  |                                 |                                                   |                  |                                  |          |                                |          |           |         |  |
| KOP Lateral 3 Azimuth Late                                        | eral 3 Est                            | imated I                        | otal Depth Lat                                    |                  |                                  | KOP      | Coordinates F                  |          |           |         |  |
| Feet MD                                                           | reet MD                               |                                 | Feet MD Feet TVD                                  |                  |                                  |          | From WH From WH                |          |           |         |  |
| Formation Entry Point Coordinates From Well Head  From WH From WH |                                       |                                 | Bottom Hole Coordinates From Well Head<br>From WH |                  |                                  |          | From WH                        |          |           |         |  |
| KOP Footages From Nearest Section                                 | n Line                                |                                 | Qtr-Qtr                                           | Section          | Township                         | 0        | Range                          | Coun     | ity       |         |  |
| F L                                                               | F                                     | L                               |                                                   |                  |                                  | N        | W                              |          |           |         |  |
| Bottom Hole Footages From Nearest                                 | Section Line                          | )                               | Qtr-Qtr                                           | Section          | Township                         | p        | Range                          | Coun     | ity       |         |  |
| F L                                                               | F                                     | L                               |                                                   |                  |                                  | N        | W                              |          |           |         |  |
| Lateral 4                                                         |                                       |                                 |                                                   |                  |                                  |          |                                |          |           |         |  |
| KOP Lateral 4 Azimuth Late                                        | eral 4 Est                            | imated T                        | otal Depth Lat                                    | eral 4           |                                  | KOP      | OP Coordinates From Well Head  |          |           |         |  |
| Feet MD                                                           | 0                                     | Feet MD Feet TVD                |                                                   |                  |                                  |          | F                              | rom W    | Н         | From WH |  |
| Formation Entry Point Coordinates Fi                              | rom Well Hea                          | ad                              | Bottom Hole (                                     | Coordinates Fr   | om Well He                       | ad       |                                |          |           |         |  |
| From WH                                                           |                                       | m WH                            | From WH                                           |                  |                                  |          | From WH                        |          |           |         |  |
| KOP Footages From Nearest Section                                 | n Line                                |                                 | Qtr-Qtr                                           | Section          | Township                         |          | Range                          | Coun     | ity       |         |  |
| F L                                                               | F                                     | L                               |                                                   |                  |                                  | N        | W                              |          |           |         |  |
| Bottom Hole Footages From Nearest                                 |                                       | :                               | Qtr-Qtr                                           | Section          | Township                         |          | Range                          | Coun     | ity       |         |  |
| F L                                                               | F                                     | L                               |                                                   |                  |                                  | N        | W                              |          |           |         |  |
| Lateral 5                                                         | LE Fot                                | imatad T                        | otal Depth Lat                                    | oral F           |                                  | 140D     | <u> </u>                       | 147      |           |         |  |
| KOP Lateral 5 Azimuth Late                                        | erai 5                                | imateu i                        |                                                   |                  |                                  |          | OP Coordinates From            |          |           |         |  |
| reet MD                                                           |                                       |                                 | Feet MD Feet TVD                                  |                  |                                  | od       |                                | rom W    | П         | From WH |  |
| Formation Entry Point Coordinates From Well Head                  |                                       |                                 | Bottom Hole Coordinates From Well Hear            |                  |                                  |          | From WH                        |          |           |         |  |
| From WH From WH  COP Footages From Nearest Section Line           |                                       | III VVI                         |                                                   |                  | Township                         | <u> </u> | Range                          | Coun     | County    |         |  |
| F I                                                               | F                                     | L                               | QII-QII                                           | Section          | TOWNSTII                         | N        | W                              | Court    | ity       |         |  |
| Bottom Hole Footages From Nearest                                 | •                                     |                                 | Qtr-Qtr                                           | Section          | Township                         |          | Range                          | Coun     | ity       |         |  |
| F L F L                                                           |                                       | L                               | Q. Q.                                             |                  |                                  | N W      |                                | ,        |           |         |  |
|                                                                   |                                       |                                 |                                                   | ·                |                                  |          |                                |          | 1         |         |  |
| I hereby swear or affirm the information                          | on provided i                         | s true, co                      | omplete and co                                    | orrect as deterr | mined from a                     | all ava  | ailable records.               |          | Date      |         |  |
| Signature Print                                                   |                                       |                                 | ed Name                                           |                  |                                  |          | Title                          |          |           |         |  |
|                                                                   |                                       |                                 | nou riamo                                         |                  |                                  |          |                                |          |           |         |  |
| Witness Signature                                                 |                                       |                                 | ess Printed Name                                  |                  |                                  |          | itness Title                   |          |           |         |  |
| Witness Signature Witne                                           |                                       |                                 | ess Printed Name                                  |                  |                                  |          | imess ride                     |          |           |         |  |
| F0D 07                                                            | TATE USE O                            | l<br>NI V                       |                                                   |                  |                                  |          | FOR 01                         | - ATC !! | ISE ON! Y |         |  |
| Permit and File Number                                            | _                                     | USE ONLY PI Number              |                                                   |                  | FOR STATE USE ONLY Date Approved |          |                                |          |           |         |  |
| . omit and the Hallipel                                           | armit and File Number API Number 33 - |                                 |                                                   | - Date Apple     |                                  |          |                                |          |           |         |  |
| ield                                                              |                                       |                                 |                                                   |                  | Ву                               |          |                                |          |           |         |  |
| Pool Permit Type                                                  |                                       |                                 | Title                                             |                  |                                  |          |                                |          |           |         |  |
|                                                                   |                                       |                                 |                                                   |                  |                                  |          |                                |          |           |         |  |

## APPLICATION FOR PERMIT TO DRILL - FORM 1H SFN 4615

- 1. Please refer to Section 43-02-03-16 of the North Dakota Administrative Code (NDAC) regarding an application for permit to drill.
- 2. Well-site preparation other than surveying and staking is forbidden prior to approval of an application for permit to drill.
- 3. Verbal approval may be given for site preparation by the Director in extenuating circumstances although no drilling activity shall commence until the application is approved.
- 4. The application for permit to drill shall be accompanied by a bond pursuant to Section 43-02-03-15 NDAC or the applicant must have previously filed such bond with the Commission, otherwise the application is incomplete.
- 5. Any incomplete application for permit to drill received by the Commission has no standing and shall not be deemed filed until it is completed.
- 6. The application for a permit to drill a well shall be accompanied by an accurate plat certified by a registered surveyor showing the location of the proposed well with reference to the nearest lines of a governmental section. The plat shall also include the latitude and longitude of the proposed well to the nearest tenth of a second, the North American Datum on which the survey was based, and the dimensions of the proposed spacing or drilling unit.
- 7. The application for permit to drill a horizontal well shall be accompanied by a "horizontal section plat" certified by a registered surveyor showing the internal dimensions of the spacing or drilling unit.
- 8. The application for permit to drill shall be accompanied by a permit fee of one hundred dollars.
- The approved application for permit to drill shall terminate and be of no further force and effect unless a well is drilling, or has been drilled, below surface casing on the first anniversary of the date of issuance or renewal.
- 10. The original and one copy of this report shall be filed with the Industrial Commission of North Dakota, Oil and Gas Division, 600 East Boulevard, Dept. 405, Bismarck, ND 58505-0840